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December 10, 2004

James Dorf Arizona Corporation Commission Utilities Division 1200 W. Washington Phoenix, Arizona 85007 Arizona Corporation Commission DOCKETED

DEC 1 3 2004

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Re: Valley Utilities Water Company; Docket No W-01412A-04-0736

Dear Mr. Dorf:

This letter is to point out a typographical error in your November 12, 2004 Letter of Sufficiency, which was carried forward into the Procedural Order issued by Judge Wolfe dated December 7, 2004. The Sufficiency Letter indicates the Company has been classified as a Class A utility.

As you are aware, the Company has requested a Two Step increase, Step One requesting total revenues of approximately \$928,000, and the Step Two request totaling approximately \$1.3 million. In either event, the Company would not be a Class A utility. We believe that processing for the Step One application would be Class C, and the Step Two phrase would be processed as a Class B application.

Although we do not believe the topographical error would be controlling, we did want to clarify that matter for the record. Thank you for your consideration this matter.

Sincerely

Richard L. Sallquist

Cc:

Docket Control (15 copies)

Judge Teena Wolfe

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Z CORP COMMISSION